

### REMARKS

This amendment is responsive to the Office Action mailed November 12, 2008. Applicant has considered the cited art as well as the comments presented in the Office Action. Applicant respectfully submits that the cited art fails to teach or suggest all of the elements claimed and therefore a *prima facie* basis for rejecting the claims has not been shown. Reconsideration of the present application is requested.

Claims 1-10 and 28-49 were pending in the application. Claims 1, 28-46, 48, and 49 have been amended. New Claims 50-54 have been added. Thus, Claims 1-10 and 28-54 are now pending.

#### Objection to the Specification

The Office Action objected to the specification under 35 U.S.C. § 112, first paragraph, as allegedly failing to support the subject matter set forth in the claims. More specifically, the Office Action (page 3) alleged that "the specification does not provide written description disclosure to support the claimed limitations of 'automatically, during a time interval, causing a portion or all of an order to be simultaneously available for execution in both the internal market and an external market, wherein the internal and external markets each have a plurality of market participants and are separately capable of executing trades between the market participants, and wherein, during the time interval the same portion or all of the order is simultaneously available to the market participants in both the internal and external markets to complete a trade.'" (Emphasis in original).

Applicant strongly disagrees. The originally-filed specification describes embodiments in which a portion or all of an order is simultaneously available for execution in both an internal market and an external market. See, for example, page 37, lines 24-26, of the application as filed ("Because orders can be in multiple places simultaneously, system 5 must provide an infrastructure for managing simultaneity to prevent duplicate unwanted executions. The infrastructure comprises the protocols and platform services of system 5.")

In applicant's previous amendment filed August 4, 2008, applicant amended Claims 1, 28, and 38 to add the phrase "during a time interval" solely to make explicit that which was already implicit in the claims. It logically follows that if a portion or all of an order is simultaneously available for execution in both an internal market and an external market, as claimed, the portion or all of the order is simultaneously available "during a time interval" in both markets.

While the present application as filed fully supports the amended claim language including the phrase "during a time interval," applicant nonetheless desires to advance the present case to allowance. Accordingly, by this amendment, applicant has removed the referenced phrase from Claims 1, 28, and 38. Withdrawal of the objection to the specification is respectfully requested.

Claim Rejections – 35 U.S.C. § 112

Turning to the claims, the Office Action (page 3) rejected Claims 1-10 and 28-49 as allegedly failing to meet the written description requirement of 35 U.S.C. § 112, first paragraph. In this regard, the Office Action referenced the reasons set forth above in the objection to the specification.

As discussed above, the application as filed clearly and unambiguously supports the claimed features of "automatically, during a time interval, causing a portion or all of an order to be simultaneously available for execution in both the internal market and an external market, wherein the internal and external markets each have a plurality of market participants and are separately capable of executing trades between the market participants, and wherein, during the time interval the same portion or all of the order is simultaneously available to the market participants in both the internal and external markets to complete a trade." See, e.g., page 37, lines 24-26, of the application.

Nonetheless, to expedite the prosecution of this application, Claims 1, 28, and 38 have been amended to remove the phrase "during a time interval." This amendment should overcome the 35 U.S.C. § 112, first paragraph, rejection of Claims 1-10 and 28-49.

Claims 28-37 and 48 were also rejected under 35 U.S.C. § 112, first paragraph, as allegedly being drawn to a system with a single means. Applicant respectfully disagrees, but has nonetheless amended Claim 28 to more clearly recite the different component elements of the claimed system.

In particular, amended Claim 28 recites a computer system that includes "an order routing computing component" and "an order execution computing component." The order routing computing component is "configured to make available for execution a portion or all of an order in the internal market." The order routing computing component is also configured to "automatically cause the same portion or all of the order to be simultaneously available for execution at an external market, wherein the internal and external markets each have a plurality of market participants and are each separately capable of executing trades between the market participants."

The order execution computing component, for its part, is "configured to automatically control execution such that the simultaneously available portion or all of the order is executed in at most one of the internal market and the external market."

Applicant respectfully submits that the combination of computing components recited in Claim 28 overcomes the concerns raised in the Office Action. Accordingly, the rejection of Claims 28-37 and 48 under 35 U.S.C. § 112, first paragraph, should be withdrawn.

Claim Rejections – 35 U.S.C. § 101

The Office Action (page 4) rejected Claims 38-46 and 49 under 35 U.S.C. § 101 as allegedly being directed to nonstatutory subject matter and for allegedly lacking utility. More specifically, the Office Action (page 5) stated that the computer-accessible medium, as claimed,

was interpreted broadly to include an intangible medium, without showing any ability to realize functionality of the recited elements.

While applicant does not agree with the basis for rejection, applicant has amended Claim 38 to clarify the subject matter of the claim. Claim 38 is now directed to "[a] tangible computer-accessible medium having executable instructions stored thereon for operating an internal market, wherein tangible material of the computer-accessible medium is structurally modified to represent the instructions, and wherein the instructions, when accessed and executed by a computer, cause the computer to" undertake the recited actions. Applicant respectfully submits that Claim 38 and its dependent Claims 39-46 and 49 are drawn to statutory subject matter under Section 101. Withdrawal of the rejection of Claims 38-46 and 49 under 35 U.S.C. § 101 is requested.

Claim Rejections – 35 U.S.C. § 103(a)

Claims 1-10 and 28-49 were rejected as being unpatentable over May (U.S. Patent Application Pub. No. 2002/0138390) (hereinafter "May") in view of Korhammer et al. (U.S. Patent No. 6,278,982) (hereinafter "Korhammer"). Applicant respectfully disagrees and submits that the cited art fails to teach or suggest all of the elements claimed. Accordingly, a *prima facie* basis for rejecting the claims cannot be shown.

May is directed to "subject-based addressing" in an electronic trading system. The addressing scheme disclosed by May comprises a four-part subject code that includes a source field, a class field, a symbol field, and a currency field.

As per the abstract of May, the four-part subject code is derived by systematically dividing the perimeters, terms, and conditions of the various derivative instruments into four discreet parts. The source field identifies the source of the information. The class field identifies a principal product class into which the financial instrument falls. The symbol field provides the underlying structure of the derivative instrument, thus, is the principal code used to define each instrument. The currency field provides the currency code of the instrument.

While the systems and methods of May are used in electronic trading, nowhere does May teach or suggest an element of "automatically causing a portion or all of an order to be simultaneously available for execution in both [an] internal market and an external market . . . wherein the same portion or all of the order is simultaneously available for execution by market participants in each of the respective internal and external markets," as claimed in Claim 1 of the present application.

The Office Action (page 6) referred to "the entire disclosure of May especially Paragraphs 28, 31, 72, 109, 120-131, 258-265" in this regard. Applicant has studied the disclosure of May, in all respects, and has found it unavailing. Indeed, in regard to order processing, May relies on conventional market systems in which an order is routed to a single market where it can be matched with an order of another party.

For example, the Office Action cited paragraph [0028] of May, which reads as follows:

In accordance with a first aspect of the present invention, a method for conducting electronic trades of financial instruments comprises the step of entering order data including a proposed trade of a financial instrument, wherein the financial instrument is defined by a symbology comprising a source field, a class field, a symbol field and a currency field. The order data can be distributed to potential traders, and then the proposed trade can be presented to at least one potential trader utilizing the symbology.

There is nothing in this paragraph of May that suggests automatically causing a portion or all of an order to be simultaneously available for execution in both an internal market and an external market by market participants at the respective markets.

The Office Action further cited paragraphs [0031] and [0072], which read as follows:

In accordance with yet another aspect of the present invention, a computer program product for use with a data processing system for conducting electronic trading between traders comprises a computer usable medium having computer-readable code means embodied in the medium, wherein the computer-readable code means comprises computer-readable code means for entering order data, wherein said order data comprises a financial instrument defined by a symbology comprising a source field, a class field, a symbol field and a currency field. The a

computer program product further comprises computer-readable code means for presenting the order data to at least one trader utilizing the symbology, and computer-readable code means for transmitting the order data to traders.

...

The present invention provides for a standardized contract definition, and means for matching complex credit preferences of each counterparty before a trade is executed. Therefore, potential counterparty users are able to identify bids and offers that they are eligible to trade based on credit preference information provided before initiating a trade. The present invention also permits users to place passive orders (bids or offers on the various financial products for other counterparties to actively choose from to hit (bids) or lift (offers), without the posting user doing anything further) or active orders (where the viewing user actively initiates the trade by selecting passive bids or offers which are already in the system). This gives a user maximum control over the order flow process. For instance, there may be a situation whereby the bids in a particular market are higher than the offers, but no trading is taking place. This situation may occur when the credit quality of the best offer (which in this case would be below the bid) would not be good enough for a bidder to be willing to enter into a transaction with that counterparty. This is a significant difference from the prior art systems in which orders are automatically matched if the prices are equal because such prior art systems typically limited the user's control over the order flow.

Again, it is evident from these paragraphs of May that all orders (active or passive) are handled within a single market. Nothing in May suggests causing a portion or all of an order to be simultaneously available for execution in both an internal market and an external market, as claimed in the present application.

Applicant has further studied paragraphs [0109], [0120]-[0131], and [0258-0265], as cited in the Office Action, and finds nothing that reads on the claims of the present application. May teaches a "command center interface" 130 that allows a user to select various instruments and simultaneously monitor the markets and place orders (see, e.g., paragraph [0258]), but this does not teach or suggest causing a portion or all of an order to be simultaneously available for execution in both an internal market and external market, as claimed in the present application.

Furthermore, May defines the term "market" differently than the present application. According to May, each instrument that is traded makes a different "market."

At paragraph [0259], May explains:

The user may customize the market entry interface 250 by adding and removing instruments (i.e., markets) displayed in the instrument display window 252. The user may add new markets by entering an instrument symbol (according to the symbology of the present invention) into instrument identified field 254.

In contrast, the present application refers to an internal "market" and an external "market" in the sense of an exchange configured to execute trades between multiple market participants. As per Claim 1, "the internal and external markets each have a plurality of market participants and are each separately capable of executing trades between the market participants."

When a portion or all of an order is "simultaneously available for execution in both the internal market and an external market," as per Claim 1, market participants at both the internal and external markets are able to see the same portion or all of the order and separately act in the respective markets to complete a trade.

To prevent unwanted duplicate execution, however, the present application further discloses and claims "automatically controlling execution such that the simultaneously available portion or all of the order is executed in at most one of the internal market and the external market." Claim 1 has been amended to delete the phrase "without chance of a duplicate execution of the simultaneously available portion or all of the order" as being redundant. In Claim 1, it follows that if execution is automatically controlled such that the simultaneously available portion or all of the order is executed in at most one of the internal market and the external market, that the execution will occur "without chance of a duplicate execution of the simultaneously available portion or all of the order."

Since May teaches nothing that suggests "causing a portion or all of an order to be simultaneously available for execution in both [an] internal market and an external market," it also follows that May teach nothing that suggests "controlling execution such that the

simultaneously available portion or all of the order is executed in at most one of the internal market and the external market."

The Office Action did not cite Korhammer with respect to Claim 1. Nevertheless, applicant has considered Korhammer and finds that its disclosure does not overcome the deficiencies of May discussed above.

After considering all of the facts and all of the disclosure of May and Korhammer, applicant submits that a *prima facie* case of obviousness under Section 103 cannot be shown. Accordingly, the rejection of Claim 1 should be withdrawn.

Independent Claim 28 is directed to a computer system configured to operate an internal market. The system comprises an order routing computing component in combination with an order execution computing component.

The order routing computing component is configured to make a portion or all of an order available for execution in the internal market and to automatically cause the same portion or all of the order to be simultaneously available for execution at an external market.

The order execution computing component is configured to automatically control execution such that the simultaneously available portion or all of the order is executed in at most one of the internal market and the external market.

As should be evident from the discussion of Claim 1 above, neither May nor Korhammer discloses an order routing computing component or an order execution computing component, as defined in Claim 28. Accordingly, the rejection of Claim 28 should be withdrawn.

Independent Claim 38 is directed to a tangible computer-accessible medium having executable instructions stored thereon for operating an internal market. Tangible material of the computer-accessible medium is structurally modified to represent the instructions. When accessed and executed by a computer, the instructions cause the computer to receive an order that is executable at a market and automatically cause a portion or all of the order to be simultaneously available for execution in both the internal market and an external market.



Each of the internal and external markets have a plurality of market participants and are each separately capable of executing trades between the market participants. The same portion or all of the order is simultaneously available to the market participants in each of the respective internal and external markets to complete a trade.

Furthermore, the instructions, when executed, cause the computer to automatically control execution of the order such that the simultaneously available portion or all of the order is executed in at most one of the internal market and the external market without chance of a duplicate execution of the simultaneously available portion or all of the order.

May fails to teach the elements recited in Claim 38, particularly in view of the comments provided above relative to Claims 1 and 28. Korhammer, for its part, does not overcome the deficiencies of May. Accordingly, Claim 38 should be allowed.

Dependent Claims 2-10, 29-37, and 39-49 depend either directly or indirectly from Claims 1, 28, and 38, respectively, and are allowable over May and Korhammer for at least the same reasons as Claims 1, 28, and 38. Moreover, Claims 2-10, 29-37, and 39-49 present subject matter that is separately and additionally allowable over May and Korhammer.

For example, Claim 47 recites the method of Claim 1, in which "the automatically controlling includes operating the internal market according to a two-phase protocol in which in a first phase, permission is obtained from a controlling process to execute the order, and in a second phase, the order is executed only if permission from the controlling process is obtained." May does not teach such operation of a market, but instead teaches conventional market operation in which an order is immediately executed when a user places an order. As explained at paragraphs [0278] and [0286]:

A user can initiate active orders by hitting a bit (i.e., sell) or lifting an ask (i.e., buy). By selecting either the HIT or LIFT button, a hit order window or a lift order window is presented to the user...Upon selecting the OK button, the order is executed by the system in the manner described below, and the user is returned to the market entry interface 250.

...

Once an order has been submitted, it will immediately be updated to the market entry interfaces 250 and market details interfaces 302 of other users, providing the user has a current subscription (i.e., field setting) to the instrument.

As can be seen, there is no market in May that operates according to a "two-phase protocol," where permission is first obtained from a controlling process to execute the order, and then the order is executed only if permission from the controlling process is obtained.

As another example, new Claim 50 recites the method of Claim 1, in which automatically causing a portion or all of an order to be simultaneously available for execution includes "causing the portion or all of the order that was posted in an order book maintained by one of the internal and external markets to be simultaneously posted in an order book maintained by the other of the internal and external markets." May does not teach such a method of simultaneously posting an order (or portion thereof) in order books of different markets.

Applicant has also considered Korhammer and finds nothing that overcomes the deficiencies of May. For these additional reasons, Claims 47 and 50, for example, should be allowed. Patentable features of Claim 47 are similarly recited in Claims 48 and 49.

Applicant respectfully disputes the propriety of the Official Notice taken at page 9 in the Office Action. Applicant respectfully submits that the Official Notice of "executing orders in a market with short latencies, routing the orders to such markets with short latencies and adjusting the orders in the markets before separating the execution in the markets" is insufficient to cure the deficiencies of May and Korhammer regarding market operation in "fast symbol mode," as claimed, and does not support an obviousness rejection of Claims 7, 8, 34, 35, 44, and 45.

Furthermore, applicant has considered Korhammer as applied to the dependent claims and disputes that Korhammer discloses what is claimed. Applicant also respectfully disagrees that the elements of the dependent claims are statements of intended use, as alleged at pages 7-9 in the Office Action. The dependent claims recite additional positive elements that further define the method, system, and computer-accessible medium as claimed in Claims 1, 28, and 38.

Lastly, applicant submits that new Claims 51-54 are patentable over the cited art. Claim 51 is directed to a computer system configured to operate a market and is claimed using means plus function format. In particular, Claim 51 recites "means for automatically causing a portion or all of an order to be simultaneously available for execution in both a first market and a second market, wherein the first and second markets each have a plurality of market participants and are each separately capable of executing trades between their respective market participants, and wherein the same portion or all of the order is simultaneously available to the market participants in each of the respective first and second markets to complete a trade" and "means for automatically controlling execution of the simultaneously available portion or all of the order such that the simultaneously available portion or all of the order is executed in at most one of the first and second markets." Computer equipment for performing the cited functions are structurally described in the present application, for example, at page 4, lines 20-29, and page 5, lines 3-14, as well as other places in the application as filed.

Applicant submits that the computer system of Claim 51 is patentable over the cited art for at least the same reasons discussed above with respect to Claims 1, 28, and 38. Allowance of Claim 51 is therefore requested.

Dependent Claim 52-54 further recite as follows:

- wherein the means for automatically causing a portion or all of an order to be simultaneously available for execution includes means for posting a portion or all of an order in an order book maintained by one of the first and second markets and means for directing the same portion or all of the order to be posted in an order book maintained by the other of the first and second markets (Claim 52);
- wherein the automatically controlling includes providing a mechanism for coupling the first and second markets such that only one of the first and second markets maintains the order for execution by a market participant at either of the first market or the second market (Claim 53); and
- wherein the first or second market that is maintaining the order for execution is configured to operate in fast symbol mode, and wherein the other of the first or second market that is not maintaining the order for execution is configured to operate as a router that automatically routes orders to the first or second market in fast symbol mode (Claim 54).

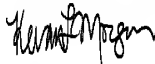
Applicant has considered the May and Korhammer references and respectfully submits that Claims 52-54 are allowable, not only for their dependence on Claim 51, but also for the additional features they recite.

CONCLUSION

Applicant respectfully requests reconsideration and allowance of Claims 1-10 and 28-54 in view of the amendments and the foregoing remarks. Should any issues remain needing resolution prior to allowance, the Examiner is invited to contact the undersigned counsel by telephone.

Respectfully submitted,

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